

SECRET**EXECUTIVE OFFICE OF THE PRESIDENT****BUREAU OF THE BUDGET****WASHINGTON, D.C. 20503**

BPM 64-0872

OCT 19 1964

Mr. Lyman B. Kirkpatrick
 Executive Director-Comptroller
 Central Intelligence Agency
 Washington, D. C. 20505

OMB Waiver Letter In ERU File

Dear Kirk:

Your letter of September 19, 1964, on the Agency's employment plans for the balance of fiscal year 1965 identified reductions in the number of permanent positions and in the total number of permanent employees at the end of the fiscal year from the Presidentially-approved levels set last December. My staff and I have discussed these plans with Mr. [] and have pointed out that they are taking place concurrent with reallocations of Agency personnel and positions from lower to higher priority activities.

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Subsequent to receipt of your letter, the Bureau completed its consideration of the proposal to upgrade the communications at a number of European posts. Mr. Staats' letter of October 12, 1964, indicated acceptance of the proposal which was developed jointly by the Agency and the Department of State and acceded to your request for additional personnel. Accordingly, the Bureau agrees to a revision of the levels set forth in your letter of September 19 to a new level of [] for permanent positions and [] as the estimated number of permanent employees as of June 30, 1965. As indicated in Mr. Staats' letter, we expect to review the requirement for additional communications personnel in Europe in fiscal year 1966 during the forthcoming review of the budget estimates.

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Speaking for the Bureau, I believe that the Agency's manpower control system and the various measures taken with respect to employment levels have begun to demonstrate their effectiveness. We are hopeful that the new retirement legislation, despite the limitation on the number of retirees in its early years of operation, will nevertheless make a significant contribution to further improvements in the manpower posture of the Agency.

Sincerely yours,

Bob

Robert Amory, Jr.
 Chief, International Division